

18 OCT 1982

MEMORANDUM FOR THE RECORD

SUBJECT: A-E Contract for Design of the Proposed New Building on Headquarters Compound

1. On 28 September 1982, the following persons met at Headquarters to discuss the referenced subject:

Philip J. Meathe, President, Smith, Hinchman & Grylls (SH&G)

Merrill Bush, Senior Vice President, SH&G

James R. Livingston, Group Vice President, SH&G

Contracting Officer

L&PLD/OGC

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2. The Contracting Officer opened the meeting by stating that although the fee proposal submitted by Smith, Hinchman & Grylls (SH&G) greatly exceeded the Government estimate, he agreed to their request to meet to discuss questions on project scope.

[redacted] advised that a dramatic reduction in the fee proposal, accompanied with justification for reduction, would be necessary for contract negotiations to take place.

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3. Mr. Meathe stated that he realized that \$6 million would be a reasonable fee for this size project, but that their understanding of the scope produced a figure far in excess of this amount. He also stated that in areas where they felt the scope was unclear, they assumed a "worst case" scenario. The following paragraphs discuss the areas of scope in question.

a. Interior Fit-Up: SH&G's proposal included a complete inventory of existing Agency equipment and furniture. The project scope does not require this level of effort. It does, however, require the complete templating of all areas with typical workstations of the locating of all power, telephone, and data outlets.

b. Computer Graphics: Machine resources can be shared with other SH&G projects as long as Agency work is performed on dedicated shifts.

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c. Security Considerations: Intent of the project scope is to treat Agency input as classified and the final SH&G product as Government proprietary. This can be accomplished by establishing a secure area for the project team.

d. Preparation of As-Built Drawings: This work need not be accomplished in Washington as was assumed in the fee proposal.

e. Progress and Review Meetings: SH&G proposal assumed all meetings would be held in Washington. [redacted] reiterated the Agency's earlier instructions that the meetings can be rotated between Detroit and Washington.

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f. Power House: SH&G proposal assumes complete replacement of the existing power house. The project scope defines utility availability requirements and requires a central utility plant to serve the existing and new facility. It was clarified that complete equipment replacement is not a requirement.

g. Master Plan: The Agency representatives reiterated earlier instructions that the Master Plan is to be followed in spirit but that it is not the absolute final solution to all the project requirements.

4. SH&G stated that the aforementioned clarifications would result in considerable reduction in their fee proposal and asked to have 10 days to submit a new proposal. It was agreed that any additional clarifications on scope could be discussed with [redacted] under the conditions that any such discussions be reported immediately by SH&G to the Contracting Officer and documented in writing with their new proposal.

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[redacted]
Contracting Officer
Office of Logistics

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Distribution:

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(30 Sep 82)

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